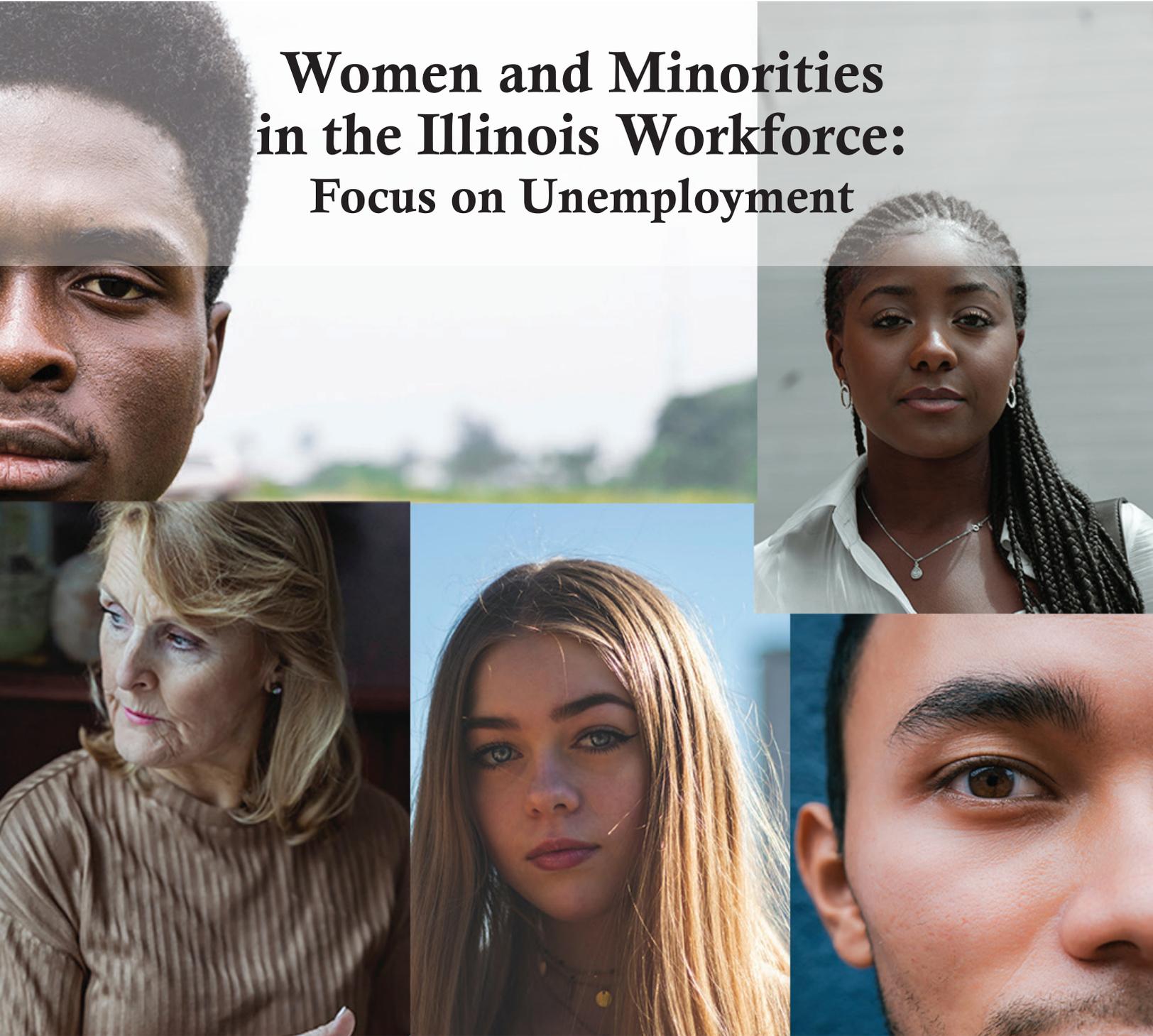


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Women and Minorities in the Illinois Workforce: Focus on Unemployment



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Presented by:
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Introduction

Due to the impact of the COVID-19 pandemic, labor forces across the United States have been heavily impacted by government-imposed closures of many industries, causing both labor force participation rates to drop and unemployment rates to rise to unprecedented levels. These employment trends have impacted women and persons of color in ways that have exacerbated existing inequalities they already face in occupational attainment and economic independence. We draw upon the Current Population Survey to analyze these impacts on workers in Illinois.

National Trends in Unemployment

Both the U.S. and Illinois unemployment rates increased sharply in 2020 due to the impact of COVID-19 pandemic related business shutdowns. The U.S. unemployment rate rose to its highest level since 2012, increasing from 3.7% in 2019 to 8.1% in 2020. The Illinois unemployment rate rose to its highest level since 2011, increasing from 4.0% in 2019 to 9.5% in 2020 (See **Figure 1**). The Illinois unemployment rate has been higher than the U.S. unemployment rate each year over the past decade. However, despite the impact of the pandemic on the labor market in 2020, the U.S. unemployment rate was -1.5 percentage points lower than it was in 2010 (9.6%) and the Illinois unemployment rate was down -1.0 percentage points from 2010 (10.5%).

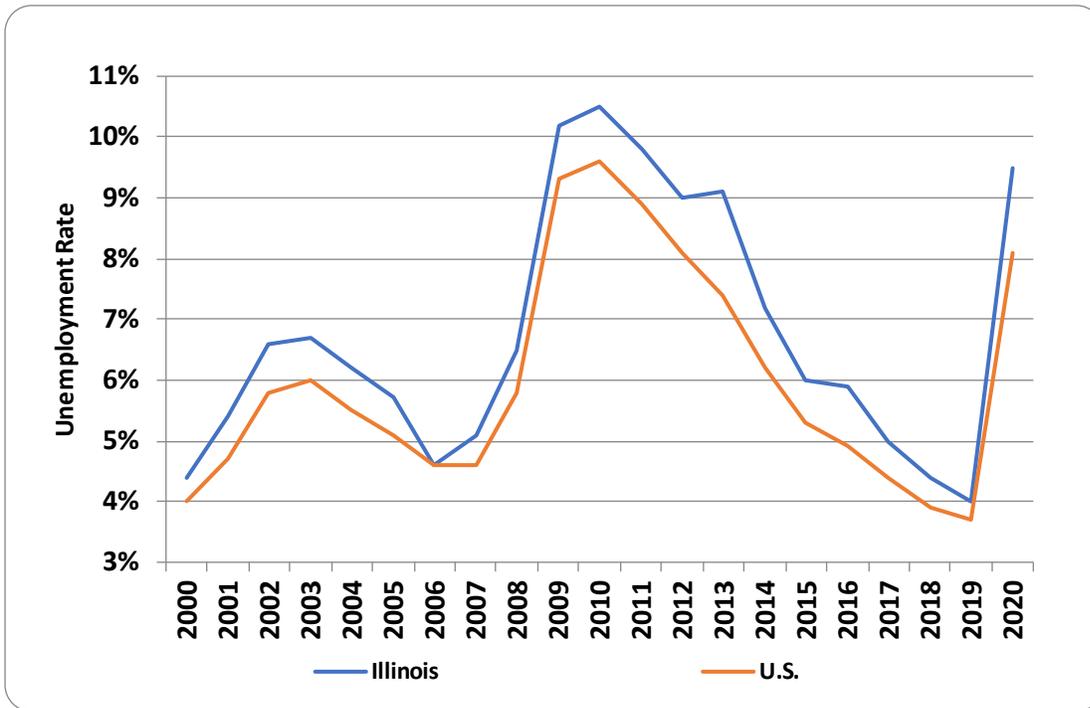


Figure 1. Illinois, U.S. Annual Unemployment Rates, 2000-2020

Source: U.S. Bureau of Labor Statistics

Historically, in both the U.S. and Illinois, men have experienced higher unemployment rates than women. But in 2020, this relationship was reversed, and women reported higher unemployment rates in Illinois and in the nation. The unemployment rate for men was 7.8% nationwide in 2020, compared to 8.3% for women. In Illinois, the 2020 unemployment rate for men was 8.6%, as compared to 9.7% for women.

Illinois Trends in Unemployment

Analysis by Race/ Ethnicity

In Illinois, as well as in the nation, the unemployment rate increased in 2020 for all racial groups. In Illinois, the unemployment rate was 14.4% for African Americans, 12.0% for Hispanics, and 8.5% for whites (See **Figure 2**). In both Illinois and the U.S., African Americans historically have had the highest unemployment rate among all major racial and ethnic groups.

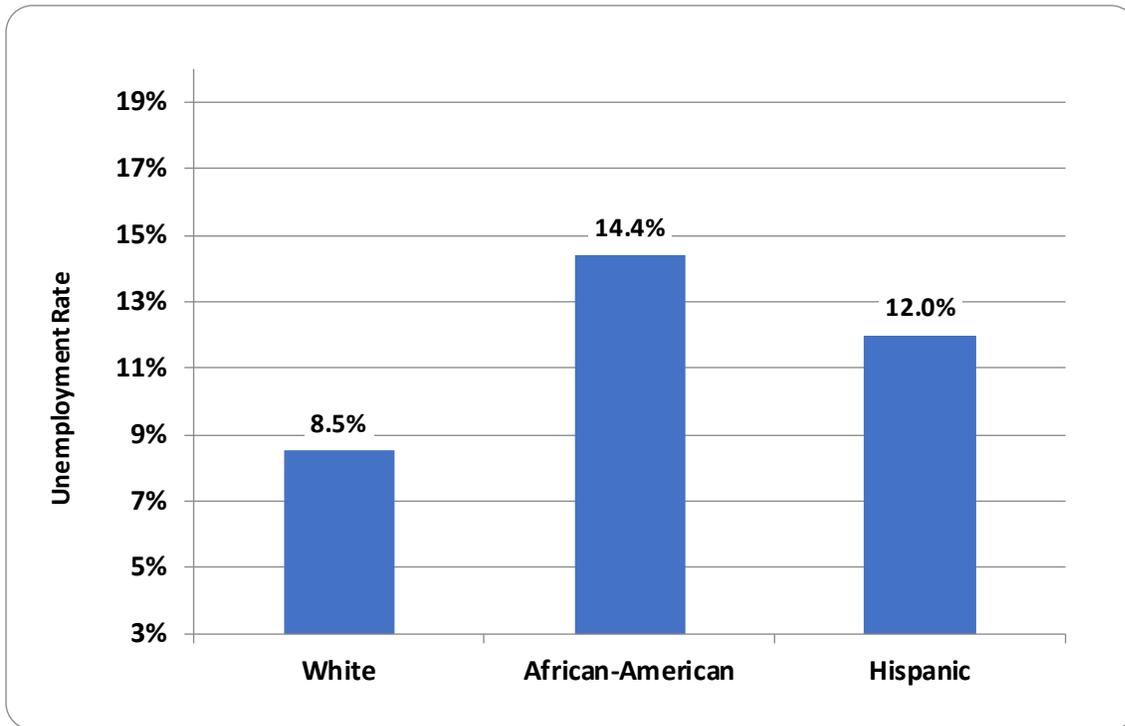


Figure 2. Unemployment Rate by Race/Ethnicity in Illinois, 2020

Source: U.S. Bureau of Labor Statistics

Note: Unemployment data for Asians in Illinois was not available during the production of this report.

Historically, African Americans have had unemployment rates that are at least double the rate for whites. 2020 was an exception but the African American unemployment was still 170 percent of the white unemployment rate.

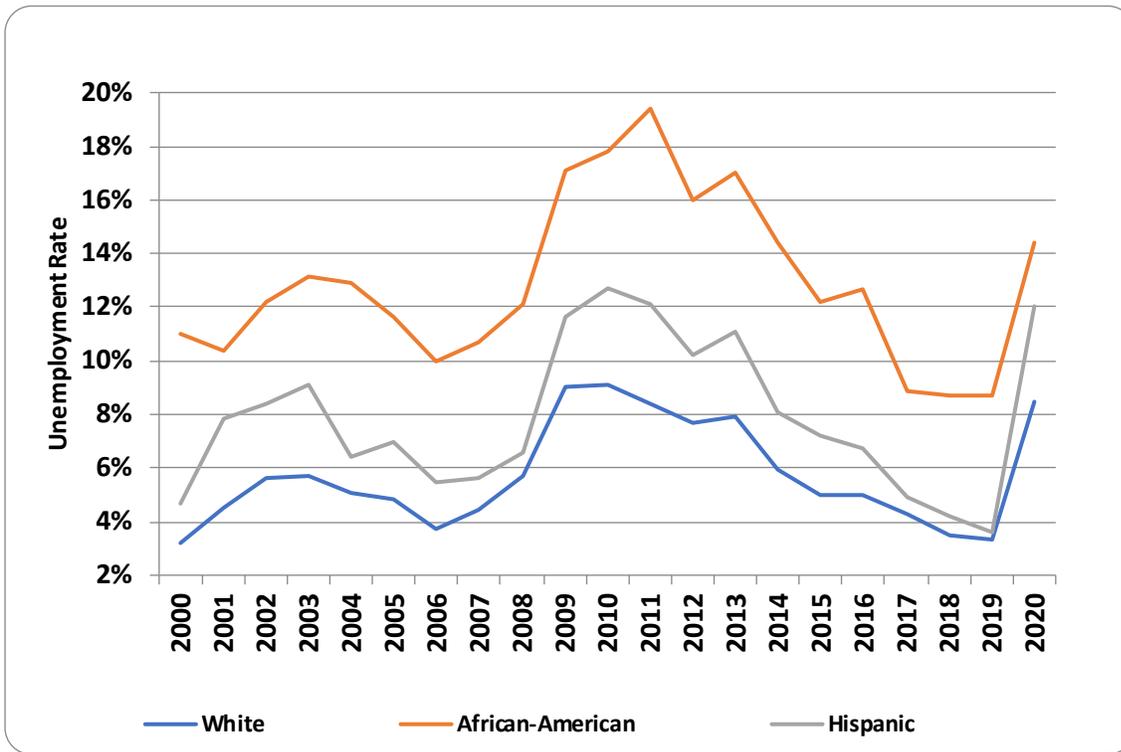


Figure 3. Unemployment Rate by Race/Ethnicity in Illinois, 2000-2020

Source: U.S. Bureau of Labor Statistics

The unemployment rate for Hispanics has exceeded the unemployment rate for whites by at least one percentage point for nearly all years since data by race and ethnicity began to be reported in 1981. The Hispanic-white unemployment rate differences decreased steadily during 2017-2019 but then widened significantly in 2020.

Hispanics have had lower unemployment rates than African Americans each year since unemployment rates for both races began to be reported in 1981.

The “unemployment gap” is the difference in unemployment rates between two groups of people. **Figure 4** shows the unemployment gap between African Americans and whites, and Hispanics and whites.

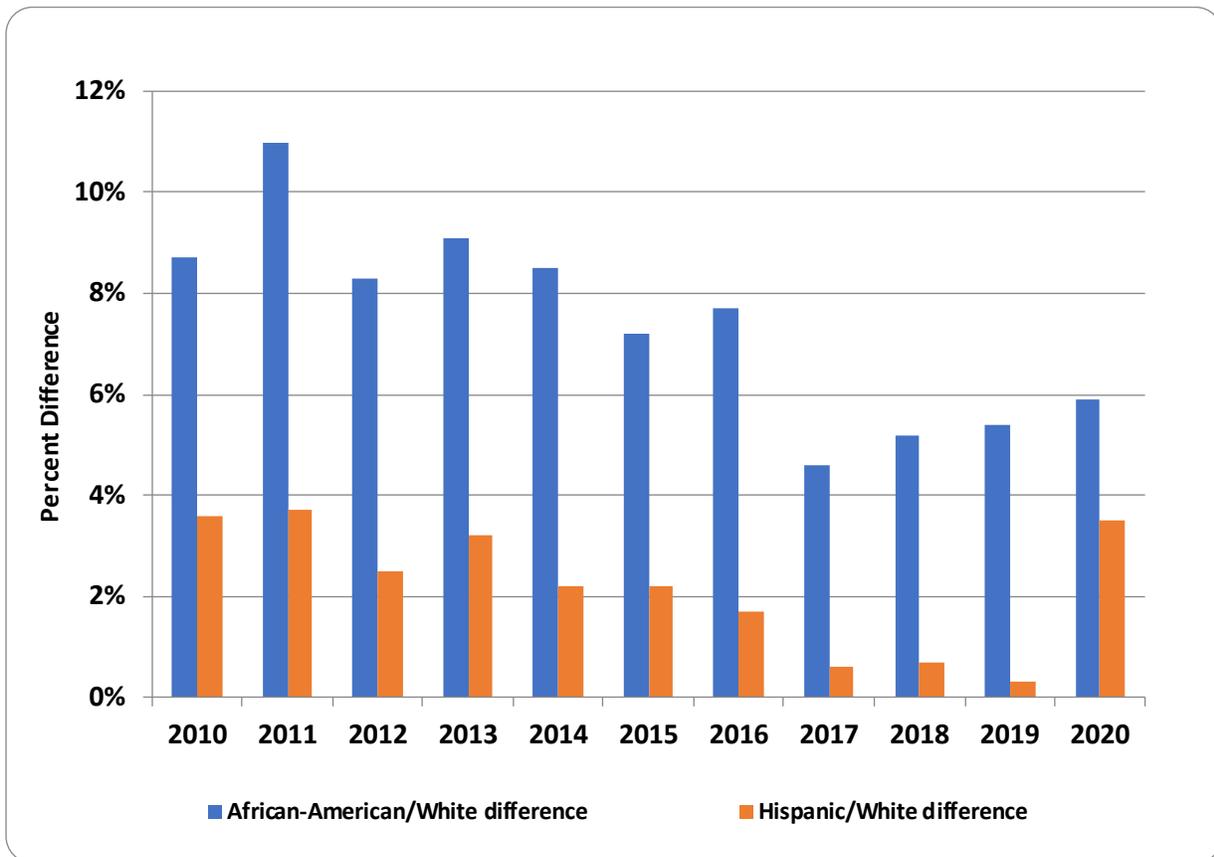


Figure 4. Illinois Unemployment Gap by Race/Ethnicity, 2010-2020

Source: U.S. Bureau of Labor Statistics

The unemployment gap between African- Americans and whites was equal to 5.9 percentage points in 2020, slightly higher than in 2019, when it was 5.4 percentage points.

The unemployment gap between Hispanics and whites was 3.5 percentage points in 2020, the largest difference since 2011.

Since 1981, when state unemployment rates by race and ethnicity began to be reported, the gap between white and Hispanic unemployment has ranged from 0.3 percentage points in 2019 to 9.3 points in 1982. For African Americans, it has ranged from 4.6 points in 2017 to 17.8 points in 1985.

Analysis of women by race

When comparing genders of the same racial or ethnic group in Illinois, several interesting trends emerge. White women had a higher unemployment rate (9.3%) as compared to white men (8.5%) in 2020. However, African- American women, when compared to African American men had a lower unemployment rate (12.4% vs. 16.8%). The unemployment rate for Hispanic women was higher (12.7%), as compared Hispanic men (11.5%).

Also noteworthy are the unemployment rate trends for Illinois women by race. In 2020, the unemployment rate for African American women increased by +4.6 percentage points, by +9.6 percentage points for Hispanic women and by +6.0 percentage points for white women.

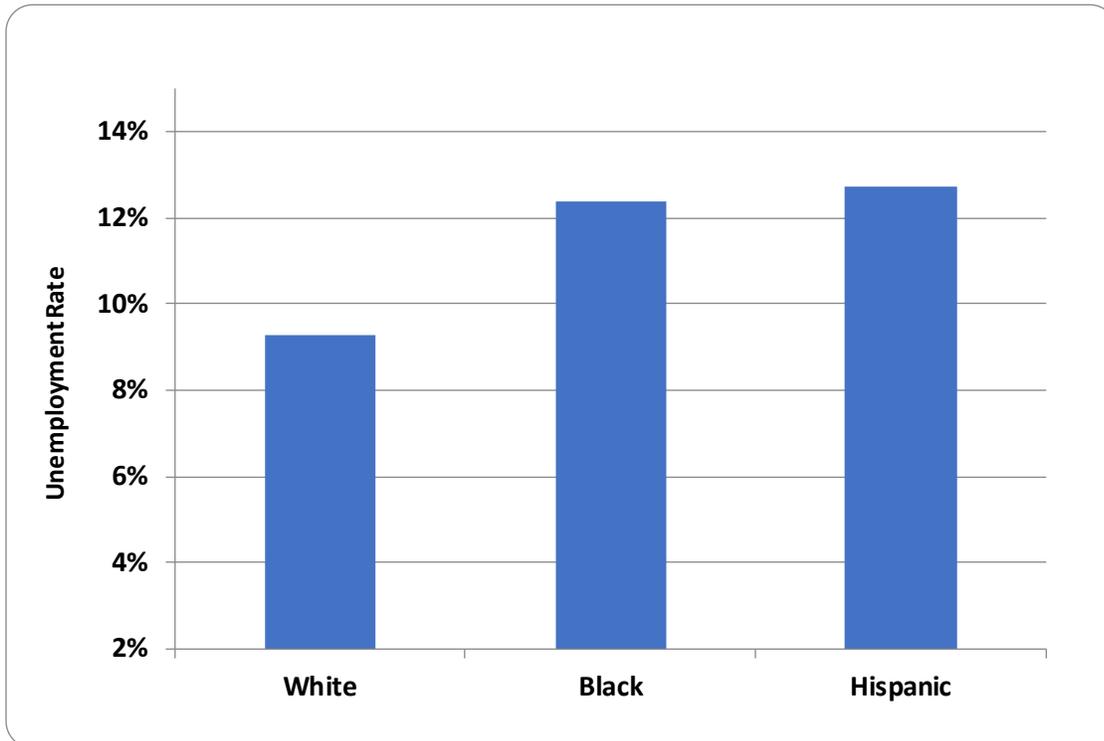


Figure 5. Unemployment Rate for Women by Race/Ethnicity in Illinois, 2020

Source: U.S. Bureau of Labor Statistics

Among women, Hispanics had the highest unemployment rate in 2020. The unemployment rate for Hispanic women was 12.7%, compared to 12.4% for African American women and 9.3% for white women.

The 2020 unemployment rate for white women was the highest on record. The earliest year available for data on both white men and women is 1976.

Analysis of men by race:

Following are comparisons of 2020 unemployment rates for Illinois men by race:

Table 1. Illinois Unemployment Rate by Race and Gender, Age 16 and Older

Year	White Men	White Women	Hispanic Men	Hispanic Women	African-American Men	African-American Women
2020	7.8	9.3	11.5	12.7	16.8	12.4
2019	3.3	3.3	3.9	3.1	9.6	7.8
2018	3.7	3.4	4.0	4.3	10.7	6.8
2016	5.0	4.9	6.8	6.6	14.2	11.3
2014	6.0	5.7	6.8	10.0	17.9	11.7
2012	8.2	7.3	9.9	10.5	18.1	14.4
2010	10.2	7.8	12.8	12.7	21.9	14.4

Source: U.S. Bureau of Labor Statistics

In 2020, the Illinois annual average unemployment rate was 21.9% for African- American men, 12.8% for Hispanic men and 10.2% for white men.

African American men in Illinois have reported the highest unemployment rate among all racial groups and both genders since data on gender and race began to be reported in 1981, with the exception of two years, 1984 and 1998, when African American women had higher unemployment rates.

White women have had the lowest unemployment rate among all racial groups and both genders throughout most of the past four decades. However, white women had a higher unemployment rates than Hispanic women in 2019 and a higher unemployment rate than white men in 2020.

Conclusion

Although the Illinois unemployment rate has decreased since the start of the pandemic, an examination of unemployment statistics by race and gender reveals the many complexities that affect job security among women and communities of color. The long-term implications are clear: the pandemic has exacerbated inequalities between women and men, as well as racial and ethnic inequalities in employment outcomes and economic independence. As Illinois emerges from the pandemic, it is critical that stakeholders weigh the gendered and racial consequences of COVID-19 to develop policies to support women's and minorities' employment.